FISCAL IMPACT STATEMENT ON BILL NO. H.3106

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TO: The Honorable Robert E. "Bob" Walker, Chairperson, House Education and Public Works

Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: Bryce Wilson

DATE: January 22, 2007 SBD: 2007012

AUTHOR: Representative G. R. Smith PRIMARY CODE CITE: 59-111-20

SUBJECT: Veteran's Free Tuition Regardless of Age

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES: See Below

BILL SUMMARY:

This Bill would amend section 59-111-20 of the Code of Laws relating to free tuition for children of certain veterans so as to delete the maximum age limit of twenty six.

EXPLANATION OF IMPACT:

Enactment of this Bill would have no impact on State General Fund expenditures. Other funds expenditures could be impacted to the extent there is a decrease in other funds revenue from tuition. However, the colleges and universities may adjust their tuition and fee schedules to compensate for additional students receiving the free tuition.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

The average tuition at 4-year and 2-year institutions is \$7,666 and \$3,289 respectively. If the age limit deletion proposed in this Bill increases participation by 5% (54 students), the resulting loss in tuition revenue can be estimated at approximately \$273,900 (32 x \$3,289 + 22 x \$7,666).

Approved by:

Don Addy

Assistant Director, Office of State Budget